

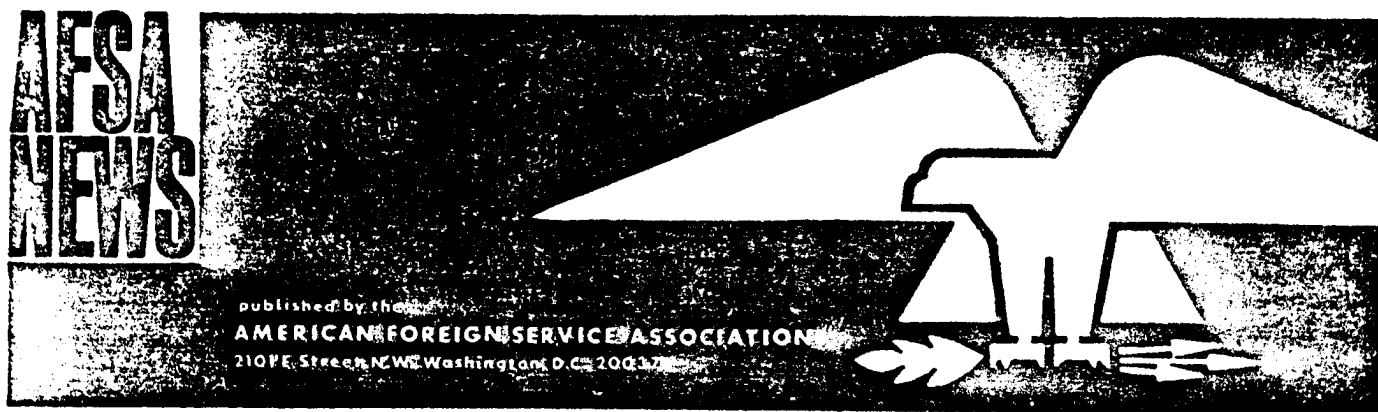
ROUTING AND RECORD SHEET				
SUBJECT: (Optional)				
FROM: 		EXTENSION	NO.	
CIA/State Liaison Officer 7D18 Hqs Bldg.			DATE 7 March 1983	
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. DD/PERS 5E13 Hqs Bldg.	7 MAR 1983		←	Attached is the latest AFSA material titled Changes in Retirement and Salaries. Issue III is a re-print of State 054448 which was previously provided to you. Issues IV and V concern lobbying tactics and legal guidance. It is noteworthy that more than 70 cables from the field have been generated on this matter, and that AFSA is now recommending to its membership to avoid disassociating itself from the Civil Service when talking to members of Congress
2. <i>2/18a</i>	7 MAR 1983		✓	
3. 		<i>DM</i>		
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				

STAT

STAT

STAT

STAT



March 3, 1983

CHANGES IN RETIREMENT AND SALARIES - V

SUMMARY - The importance of receiving messages and letters from the field and Washington membership cannot be overemphasized. In conformity with our dual assault on the retirement changes, AFSA strongly suggests that messages address the interests and concerns of your intended readers. End summary.

As described in previous messages, AFSA is pursuing a two track policy to prevent implementation of the "reforms" listed in the President's budget message. The experiences of the past six weeks have taught us that while there are many valid reasons to oppose these reforms, some arguments work with certain decision makers, other arguments don't. The interests and concerns of your reader should be kept in mind when drafting any message.

AFSA has now received over 70 cables from the field. These messages are important for several reasons -- they provide us with insights and well thought out arguments, and they are tangible proof of the outrage and concern with which the Foreign Service views these changes. Please keep them coming.

The messages which have come from Ambassadors in the field, both career and non-career, have been particularly cogent. Chapters are encouraged to meet with their chiefs-of-mission to discuss the effects of the proposed changes of the Foreign Service.

Letters to Congress -- Our initial instinct was to stress the uniqueness of the Foreign Service both in terms of the hardships of a career overseas and our competitive "up or out" personnel system. In other words, to disassociate ourselves from the Civil Service as far as possible. However, our feedback has been such that it is now our belief that this "disassociation" approach, while the proper one to take inside the Department and with the Administration, will not be productive with the Congressional committees which will most directly deal with the proposals. We have had exhaustive discussions with Hill staffers and members of Congress and we believe that at this time our interests on the Hill are best served by working with Civil Service groups to kill the entire package.

-2-

AFSA therefore recommends that letters to Congress not focus on requests for differential treatment from the Civil Service. Stress instead the negative effect of these proposals of the Federal Service as demonstrated by the example of the effects on the Foreign Service. The good ship Federal Service is under attack but it is not yet time to go over the side screaming every man, woman and child for himself. The working group is drafting talking points with this new tactic in mind.

Comments on Contacting Congressmen - In general, members of Congress pay attention to letters from two sources -- from their constituents and from organizations which speak to topics of interest. Hill staffers tell us that unsolicited letters from individuals with no ties to the member's district are given little attention and less weight. It is our recommendation, therefore, that chapter members can be most effective by writing to their hometown representatives. If Foreign Service life has left you without a current "hometown", we suggest you use your parents place of residence, intended retirement area, where you grew up, etc. Names and addresses of Congressmen and Senators are available in the Congressional Directory.

A number of posts have requested the names of key members to write to. We are providing the membership of the two committees which will most directly deal with these proposals but again we recommend writing to hometown representatives instead at this stage. We provide these names primarily so that employees can readily determine if their representative is on one of these committees:

COMMITTEE ON POST OFFICE AND CIVIL SERVICE:

Majority: Representatives William D. Ford (MI), Morris K. Udall (AZ), William L. Clay (MO), Patricia Schroeder (CO), Robert Garcia (NY), Mickey Leland (TX), Donald J. Albosta (MI), Gus Yatron (PA), Mary Rose Oakar (OH), Charles E. Schumer (NY), Ron de Lugo (VI), Thomas A. Daschle (SD), Gerry Sikorski (MN), Douglas Bosco (CAL), Katie Hall (IND). (209 Cannon House Office Building, D.C. 20515)

Minority: Representatives Gene Taylor (MO), Benjamin A. Gilman (NY), Tom Corcoran (IL), James A. Courter (NJ), Charles Pashayan, Jr. (CA), William E. Dannemeyer (CA), Daniel B. Crane (IL), Frank R. Wolf (VA), Wendell Bailey (MO), Connie Max (FL). (304A Cannon House Office Building, D.C. 20515)

COMMITTEE ON GOVERNMENTAL AFFAIRS:

Majority: Senators William V. Roth, Jr. (DE), Charles H. Percy (IL), Ted Stevens (AK), Charles McC. Mathias (MD), John C. Danforth (MO), William S. Cohen (ME), David Durenburger (MN), Warren Rudman (NH), William Armstrong (CO), Thad Cochran (MISS). (3306 Dirksen Senate Office Building, D.C. 20510)

Minority: Senators Thomas F. Eagleton (MO), Henry M. Jackson (WA), Lawton Chiles (FL), Sam Nunn (GA), John H. Glenn (OH), Jim Sasser (TN), Carl M. Levin (MI), Jeff Bingaman (NM). (6206 Dirksen Senate Office Building, D.C. 20510)



March 2, 1983

CHANGES IN RETIREMENT AND SALARIES - IV

LEGAL GUIDANCE IN CONTACTING CONGRESS RELATING TO RETIREMENT ISSUE

In connection with AFSA's request that employees contact their Congressmen to protest proposals to change the Foreign Service Retirement System, some questions have arisen as to employees' rights to contact Congress and the manner in which employees may do so. This message serves to provide general guidance concerning communication with members of Congress.

Every individual has a constitutional right to petition Congress. Further, federal employees are statutorily protected in their right to petition Congress or to furnish information to Congress, individually or collectively, under 5 U.S. Code Section 7211. However, the criminal code, 18 U.S.C. Section 1913 precludes employees from using official time or government supplies or equipment in communicating with members of Congress. Uniform Foreign Affairs Agency regulations on point are found at 3 FAM 620, Section 10.735-207.

Specifically, employees should not use agency stationery or franked envelopes. Similarly, Department telex facilities should not be used in corresponding with Congress. A recent decision by the Federal Labor Relations Authority held that official time may be used for calls to Congressional offices by a union officer. These calls do not constitute "internal union business". It follows that AFSA Representatives may use official time normally accorded for labor-management activity to organize congressional communication.

We would be happy to answer any specific questions.

A list of members of key committees in the House and Senate will follow.



February 28, 1983

CHANGES IN RETIREMENT AND SALARIES - III

SUMMARY: Congressional Update -- The assault on federal employees benefits continues to intensify. In addition to "reforms" described in earlier messages, the Office of Personnel Management (OPM) proposes to: Decrease governmental contributions for health care insurance, change the method of establishing comparability between federal and private industry pay, and weaken the power of unions to protect employees. On the "good news" side, three powerful congressional leaders have gone on record as opposing the changes contained in the budget message.

Specific AFSA actions, answers to questions, and requests for assistance from the field will be sent in companion messages. END SUMMARY.

In the first official presentation of the proposed measures to change federal employee retirement systems, OPM Director Dr. Donald Devine appeared last week before the Post Office and Civil Service Committee, chaired by Congresswoman Mary Rose Oakar. In introducing Dr. Devine, Congresswoman Oakar stated, "I think these proposals are wrong. I think they will have a disastrous impact on the federal workforce; they will drive the best people out of government, and they will discourage others from pursuing it (federal service) as a career in the first place." In his presentation, Dr. Devine followed the script described in the Department's message (State 35278) with one exception -- no mention was made of the reduction of the annuity multiplier to 1.5%. This does not mean that this proposal has been dropped, however, as our contacts tell us that it is "lying in the weeds" and will "only" rear its ugly head if the other proposals do not result sufficient savings. As it is unlikely that the target of having retirement costs amount to no more than 22% of payroll costs can be obtained even if all of the other proposals are enacted, we can expect to hear more from the 1.5 or an equally loathsome alternative.

Not content with the "reforms" already described, OPM is proposing several others which will adversely affect the civil service and by extension the foreign service.

-2-

-- Voucher System for Health Care Insurance - Few specifics have been given but the idea here is that each employee would receive a fixed dollar amount toward the purchase of health insurance. If you choose a plan which has lower premiums than the fixed amount, you would receive a rebate, if your plan costs more, you pay the extra amount. We leave it to you to guess in which category you will find yourself.

-- Pay Comparability - Last year the President's Advisory Committee on Pay Comparability recommended that federal workers be given an average 14.7% pay increase to help them catch up with private sector employees. As you are no doubt aware, this recommendation was ignored and a 4% increase was given instead (although if you subtract the 1.3% Medicaid deduction and increased health benefit costs most people were lucky if they came out even). This year it is estimated that the committee will recommend an increase of as much as 22% -- unless, of course, the data base is changed. OPM wants to stop focusing on other large organizations such as Fortune 500 firms and include more state and local agencies and "mom and pop" companies (with their lower salary structures). The end result here may be that it will be "conclusively established" that the federal worker is horrendously overpaid.

-- Union Authority - OPM would like to emasculate public employee unions (such as AFSA) by taking away their right to bargain and letting them "consult" instead. If this goes through, an agency's management would be free to implement anything it wanted to and the union would be powerless to take action.

Returning to the proposals discussed in earlier messages, there was both bad and good news contained in a joint letter from three of the most powerful leaders in the House, Speaker Tip O'Neill, Chairman Dan Rostenkowski of Ways and Means, and Chairman William Ford of Post Office and Civil Service. The letter stated:

(1) "We support the recommendation of the National Commission on Social Security Reform to extend social security coverage to newly hired federal employees", and

(2) "We oppose the Administration proposals that would reduce civil service retirement benefits and increase employee contributions to the civil service retirement fund."

This letter tracks with our assessment of the mood of the House on these issues. As stated in our Redtop dated February 22, 1983, the new hire provision has built up a full head of steam and will be difficult or impossible to derail. However, the public commitment to fight the retirement changes in very encouraging.

The mood of the Senate is much more difficult to determine. The Senate will not be under a closed rule for the debate on social security and if the package is opened up literally anything could be proposed, including putting everyone (meaning current federal employees) under social security. We do not feel this is likely at this time but our strategy is to not take anything for granted until the final vote has been taken.

Page Denied

Next 1 Page(s) In Document Denied

DCI BRIEFING ITEMS FOR
CABINET DISCUSSION OF RETIREMENT REFORMS

I. Introductory Points

- We are supportive of the Administration's efforts to cut government costs and reform certain aspects of the government's compensation and benefits program.
- I fear that the retirement age increase and annuity penalty reduction proposals will impede your effort to revitalize and enhance the Agency's intelligence capability and product.
- The CIA has a long established policy which encourages employees to retire at ages substantially earlier than elsewhere in government (56.9 under Civil Service and 52.8 under CIARDS).
- This policy has been based on the recognition that the Agency's vital missions require the recruitment and retention of a corps of careerists performing their operational, analytical or support duties with substantial dynamism, high motivation and unflagging dedication throughout a career of 20 to 30 years.
- The early retirement provisions of the Civil Service Retirement and CIARDS systems have served the Agency exceedingly well by providing management tools to attract new recruits, provide timely career progression, and encourage retirement of personnel when CIA management prefers that they retire.
- Extending the retirement age would seriously impair the ability of Agency management to maintain employee progression and "flow through" so essential to maintaining maximum effectiveness in meeting requirements.
- The combined attractiveness of the Agency's current career opportunity and benefits package has greatly assisted in the recruitment and retention of critically needed professionals and offsets the relatively lower starting salaries that we can offer as compared to what the private sector offers these high calibre individuals.

II. Specific Impacts of Increase Retirement Age and Penalty Proposals

- Loss of early retirement incentives will severely reduce on-board employee rotations and retirements and dry up promotion opportunities for all employee levels.
- Loss of many of our more senior and most valuable employees now eligible for early retirement when faced with the loss of opportunities for further advancement.
- Loss of the most promising of our mid-level and younger officers who would seek careers elsewhere when blockages for assignments and advancement occur.

- Increased turnover in the ranks of intelligence personnel will make it increasingly difficult to safeguard national security information.
- Loss of sufficient inducement to effectively compete with the private sector for high level talent in critical scientific and technical areas, specialized analysts, computer specialists, and similar "hard to get" categories.
- Approximately 20 percent of the Agency's employees are covered by the CIA Retirement and Disability System (CIARDS). This special retirement sytem offers voluntary nonreduced annuities for members at age 50 with 20 years of service. The system was instituted in 1964 in recognition of the frequently dangerous and adverse work and living conditions and early "burnout" faced by individuals serving the overseas activities of the CIA.
- Termination of the ability to offer the operational cadre retirement with full benefits at age 50 would have a devastating impact of the clandestine service both as regards recruitment of young officers and retention of the on-board cadre.
- By the time they reach early retirement eligibility many CIA officers are compromised and are encouraged to retire with the diminution of their effectiveness.